

## MINUTES

### **BOARD OF TRUSTEES FEATHER RIVER COMMUNITY COLLEGE DISTRICT**

#### **1. Call to Order:**

President Ware called the Closed Session of the Feather River Community College District Board of Trustees to order at 2:02 p.m. on Thursday, December 13, 2018, at Feather River College, LRC Room #871, 570 Golden Eagle Avenue, Quincy, California.

*Trustees present:* Ware, Elliott, McNett, Saxton, Sheehan

*Trustees absent:*

#### **2. Public Comment on Closed Session Items:**

There was no public comment on Closed Session agenda items.

Kevin Trutna, Superintendent/President administered the Oath of Allegiance to Board of Trustee member, Dr. Trent Saxton, Area I, so that he could participate in Closed Session.

#### **3. Adjourn to Closed Session:**

The meeting was adjourned to Closed Session at 2:03 p.m.

#### **4. Reconvene to Open Session:**

President Ware reconvened the Closed Session of the Feather River Community College District Board of Trustees to Open Session at 3:08 p.m. on Thursday, December 13, 2018, at Feather River College, LRC Room #871, 570 Golden Eagle Avenue, Quincy, California.

*Trustees present:* Ware, Elliott, McNett, Saxton, Sheehan

*Trustees absent:* Student Trustee Yates

#### **5. Closed Session Announcement:**

President Ware announced that the Board of Trustees had met in Closed Session and that no action had been taken.

#### **6. Welcome to Foundation Board Members and Guests:**

President Ware welcomed Foundation Board members and other guests to the meeting.

#### **7. Administration of the Oath of Allegiance – Board of Trustee Members: Bill Elliott, Area II, Guy McNett, Area IV, and Dr. Trent Saxton, Area I**

Kevin Trutna administered the Oath of Allegiance to Board of Trustee members Bill Elliott, Area II, Guy McNett, Area IV, and Dr. Trent Saxton, Area I.

#### **8. Agenda**

The Regular and Consent Agendas for the December 13, 2018, meeting at Feather River College, Learning Resource Center Room #871, 570 Golden Eagle Avenue, Quincy, California, were approved as presented, (Saxton/Elliott/Ware/McNett/Sheehan Aye) (None Opposed) (Yates Absent).

## **9. Minutes:**

The minutes from the Regular Meeting held on Thursday, November 15, 2018, at Feather River College, LRC Room #871, 570 Golden Eagle Avenue, Quincy, California, were approved as presented, (Elliott/Sheehan/Ware Aye) (None Opposed) (McNett/Saxton Abstaining) (Yates Absent).

## **10. Items from the Public:**

None

## **11. CONSENT AGENDA**

### **\* A. Motion Items**

There being no objection 1) Ratification of Personnel Requisitions, 2) Ratification of Personnel Actions, 3) Payroll and Commercial Warrants, 4) Budget Transfers, 5) Budget Augmentations/Reductions, 6) Approval of Memorandum of Understanding between Feather River Community College District (DISTRICT) and Plumas Unified School District (AGENCY) for DISTRICT to provide a coordinator (Jan Rennie) to work with AGENCY liaison for the Educational Talent Search Program (ETS) for ETS student travel services related to the 6<sup>th</sup> grade Watershed Course in an amount not to exceed a total of \$6,000.00 for the 2018-2019 academic year ending June 30, 2019, and 7) Approval of Memorandum of Understanding between Feather River Community College District (DISTRICT) (Educational Talent Search Program) and Plumas Unified School District (AGENCY) for DISTRICT to provide a coordinator (Jan Rennie) to work with AGENCY to bill DISTRICT for tutorial services provided to actively enrolled ETS students in an amount not to exceed \$4,000.00 for the academic year 2018-2019, were approved as presented, (Sheehan/McNett/Ware/Elliott/Saxton Aye) (None Opposed) (Yates Absent).

## **12. REGULAR AGENDA**

### **\*A. Motion Items**

- 1) Kevin Trutna requested Approval of Curriculum Actions. There being no objection or further discussion, the request for Approval of Curriculum Actions was approved as presented, (Sheehan/Saxton/Ware /Elliott/McNett Aye) (None Opposed) (Yates Absent).
- 2) President Ware called for the Election of Board Officers. Guy McNett nominated Dana Ware to continue as the Board President effective July 1, 2019, and the motion was seconded by Sheehan. Bill Elliott amended the motion to include Guy McNett as Vice-President to the Board and further to appoint Kevin Trutna as Secretary to the Board of Trustees. Due to momentary confusion on whether the amendment to the motion needed to be finished, Trustee Elliott nominated Dana Ware as President to the Board of Trustees, Guy McNett, as Vice-President to the Board of Trustees, and that Kevin Trutna be appointed as Secretary to the Board of Trustees effective July 1, 2019, and the motion was seconded by

Trustee Saxton. Trustee Sheehan indicated that he felt the motion made by Trustee Elliott was out of order because the original motion hadn't been dealt with. President Ware backed up and recommended that each trustee vote individually on the first motion (Saxton/McNett/Sheehan Aye), and on the second motion (Elliott/Saxton) (Ware/McNett/Sheehan Aye) (None Opposed) (Yates Absent).

- 3) Dana Ware requested Approval of Addendum to Employment Agreement for Dr. Kevin Trutna, Superintendent/President. Kevin Trutna handed out the addendum to the Board, reporting that what was negotiated in Closed Session is an addendum to the employment agreement to extend the contract to begin January 1, 2019, and terminate on June 30, 2022. He also reported that there are no changes to the salary schedule and no changes to the current health benefits and all previously agreed upon provisions of the contract remain. Trustee Sheehan asked about whether or not the motion included the discussion of medical benefits, and Dr. Trutna responded that his current medical benefits remain the same, but the addendum does include the continuation of existing medical benefits if he retires from the District paid for by the District. There being no objection or further discussion, the request for Approval of Addendum to Employment Agreement for Dr. Kevin Trutna, Superintendent /President was approved as presented, (McNett/Elliott /Ware/Sheehan Aye) (None Opposed) (Saxton Abstaining) (Yates Absent).
- 4) Kevin Trutna requested Approval to Adopt Initial Proposal from the Feather River Community College District to Feather River College Federation of Teachers Full-Time Faculty Chapter #4615 AFT/CFT AFL/CIO. There being no objection or further discussion, the request from Approval to Adopt Initial Proposal from the Feather River Community College District to Feather River College Federation of Teachers Full-Time Faculty Chapter #4615 AFT/CFT AFL/CIO was approved as presented, (Sheehan/Elliott/Ware/Saxton/McNett Aye) (None Opposed) (Yates Absent).

### **C. Special Items/Reports**

- 1) Jim Scoubes, Chief Financial Officer, presented the District's Monthly Financial Status Report as of November 30, 2018. He reviewed the Unrestricted General Fund Summary stating that this is the fund used to operate the District. He reported that revenue for the period totaled \$5,336,471 or 31% of approved budget. He also reported that expenditures totaled \$6,364,957 or 38% percent of approved budget. He explained that the report makes a comparison to where the District was in the prior year in the left hand column of the page and the District currently sits at one percent higher than the prior year due to increases in salary and benefits.
- 2) Kevin Trutna provided introductory remarks on the District and Foundation audit reports stating that Joseph Trone, CPA, Crowe LLP, would be summarizing both audits in his report. Mr. Trone reported that he is the

audit manager for Crowe LLP, and he helped supervise the District's audit for this year and he would be providing an overview of the District's financial activities for the year ended June 30, 2018. As part of required audit standards, he reported that the financial statements communicate the financial condition and operational results of the District, and are presented using the terminology and classifications that conform to the Governmental Accounting Standards Board's Statements of Financial Accounting. He added that it is key to note that these financial statements are management's financial statements and that Crowe personnel render an opinion regarding the financial statements through visits twice per year. Mr. Trone explained that in the spring auditors spent time looking at internal controls and the design and operational effectiveness of internal controls like payroll to make sure that the proper numbers are being reported in the District's general ledger. He also explained that during that visit auditors looked at and tested State and Federal compliance. Mr. Trone went on to say that during the fall, auditors wrapped up testing on State and Federal compliance and then tested the actual financial transactions that took place during the year. He explained that it is also key to note that tests do not take place on 100% of the transactions, just samples of transactions based on risk. Mr. Trone addressed the one accounting standard adopted by the District during the year Governmental Accounting Standards Board (GASB) Statement No. 75, "Accounting for Financial Reporting for Postemployment Benefits Other than Pensions", and explained the testing and implications. Mr. Trone stated that there was nothing found during the audit process that required adjusting or correction as far as the District's general ledger. He also noted that there were no disagreements with management on any of the audit information and that the audit was considered thorough as well as easy.

Mr. Trone asked those present to turn to page 96 of the audit report or the Summary of Auditors' Results. He explained that the page provides a snapshot of the audit and the key results including that the audit was an unmodified opinion, and one that the District would want to see, on its Financial Statements, Federal Awards, and State Award sections. He stated that the takeaway from the three opinions would be that the Board could place reliance on the numbers in the audit report and the numbers that management brings before it during the course of the year. He reported that the District ended the year with a net position of \$8.2 million for business type activities which is good news, and that the General Fund was a little over \$8 million in net position. He also reported that the change in net position for the General Fund was a positive \$3.7 million. Dr. Trutna thanked Jim Scoubes and Katie Schmid, Chief Accountant, for their leadership in preparing for the audit. He asked Mr. Trone to let the Board know what the testing procedure was in relationship to the finding on purchasing controls from the previous year's audit. He stated that these areas were tested during this year's audit and there were no issues with internal controls on requisitions. Mr. Trone also answered questions from Trustee McNett on the previous year's finding, and Dr. Trutna on how the District's audit compared to other districts Mr. Trone may have visited. Katie Schmid answered questions regarding the increase in net position

as being attributable to the reclassification of the Other Post-Employment Benefits (OPEB) balance for the retirees which added close to \$2 million to the net position. She added that the actual fund balance increase was \$1.375 million and \$2 million on top of that came over from the retiree fund because it has to be recognized with the General Fund now where in prior years it was kept separate.

Mr. Trone then moved to the overview of the Independent Audit Report for the Feather River College Foundation, Inc. He stated that it is the opinion of Crowe LLP that the financial statements referred to in the audit present fairly, in all material respects, the financial position of Feather River College Foundation, Inc. as of June 30, 2018, and 2017, He also stated that the audit was conducted in accordance with auditing standards general accepted in the United States of America. He added that this is an unmodified opinion and means that reliance can be placed upon the numbers in the audit report. He reported that as far as adjustments to the information, he would refer to the letter previously passed out to Board members by Katie Schmid, referencing areas where the auditors had to make some recommendations for adjustments which resulted in a significant deficiency letter to management based on financial reporting and making some corrections to the internal control processes. He indicated that he was assigned to speak to the Foundation's accountant regarding the recommendations and he knows that they are working on implementing the recommendations for the next fiscal year. John Breaux, Owner, Breaux Group, addressed the deficiencies and repeat findings in the audit report and explained how the Breaux Group will be implementing new internal controls to prevent future findings. Trustee Sheehan stated that in August 2017, the Pines housing facility was put into use and he wondered where on page three of the audit report would that be recorded. Mr. Trone responded that it would be included in the footnote and in the depreciable capital assets, and there was further discussion.

- 3) Kevin Trutna provided introductory remarks on the overview and approach to AB 1809 (2018) District Goal Setting. He stated that the Chancellor's Office has a new student-centered funding formula, and the college has to set goals which have changed and will change again in the future. Dr. Trutna added that the college must certify no later than December 15, 2018, that it has a process in place, and then to have adopted goals that align with the metrics in the new funding formula by May 31, 2019. He noted that the college, in honoring its participatory governance structure, sees this as falling into the Council on Instruction (COI), Student Services Council (SSC), and other committees such as the Advising Task Force, and the Strategic Planning Committee. Trustee Saxton mentioned that wasn't the Board of Trustees meant to be involved in the District goal-setting, and Dr. Trutna responded that it will. Trustee Saxton also mentioned that weren't the communities meant to be involved too, and Dr. Trutna mentioned that the bill reads the college community and there was further discussion. Derek Lerch reported that the goal-setting is a new procedure for the college and is part of the new legislation produced by the new student-centered funding formula over the 2018 summer. He

reported that the Chancellor's Office created a strategic plan a couple of years ago, and it wants to make sure that the Districts are aware of, and hopefully improving in, the areas mentioned in the strategic plan. Dr. Lerch also stated that the challenge for the college will be to talk about the goals individually and then decide about which goals are realistic and possible for FRC as a college, and then after that decide how it can make progress towards those goals. He explained some of the quirks associated with the goal-setting exercise like it was supposed to be a five-year exercise, however, the District does not adopt its goals until May 2019, and the starting year was 2016-2017, so Districts are already halfway through the five-year exercise. Trustee Sheehan expressed his concern with getting to some of the numbers associated with the Vision for Success, and there was further discussion. Trustee Saxton encouraged others to watch the webinars provided by the Chancellor's Office as they explain a lot.

- 4) David Burris, Director of Human Resources/EEO, reported that the Report Cover on Agenda Item #12C4 serves as the public notice for the California School Employees Association Local #712 initial proposal to the Feather River Community College District.
- 5) David Burris reported that the Report Cover on Agenda Item #12C5 serves as the public notice of the initial proposal from the Feather River Community College District to the California School Employees Association (CSEA) Local #712.

#### **D. Communications, Presentations, and Reports**

##### **1) Board of Trustees**

Trustee Saxton reported that he took a tour of Truckee Meadows Community College recently and he was inspired by what a community college can do. He added that this is part of the reason why he wanted to be a member of the Feather River College Board of Trustees. He also emphasized the potential he sees in Feather River College. Trustee Saxton also reported that he's a bit overwhelmed with the reading involved in the Board packet, but he got through it and will continue to do so. He stated that as far as the communities of Area 1, he knows that the citizens want to know that FRC is spending its funding wisely and that it's going to do something in the future to advance the curriculum that results in student jobs in industries such as nursing and forestry.

##### **2) Associated Students**

No Report

##### **3) Academic Senate**

Thomas Heaney, Academic Senate President, reported that he wanted to give recognition to English professors Joan Parkin and Will Lombardi for the success of the First Year Student Symposium for English held on campus recently. Linda Batson, member of the public, and Trustee Sheehan both commented on the work that went into the event and the students that participated in the professional development of speaking and

English skills that were involved in the symposium. Trustee Sheehan suggested inviting the public to next year's event.

4) **Classified Senate**

Michelle Ryback, Classified Senate President, indicated that she wanted to follow up on Trustee Saxton's comments regarding the Vision for Success webinars previously mentioned. She stated that she and the Classified Senate have been encouraging others to engage in the webinars and she stated that the first and third webinars are well worth the time and the second and fourth are a bit granular in detail. Trustee McNett asked for the details on how to access the webinars being discussed and Kevin Trutna mentioned that he would provide it. Ms. Ryback asked for a copy of the addendum to Dr. Trutna's employment contract, and he indicated that he would provide it as it was public information and available to anyone.

5) **Instruction**

Derek Lerch reported that items that he would cover in his report are included in Dr. Trutna's written report to the Board.

6) **Student Services**

No Report

7) **Superintendent/President**

Kevin Trutna welcomed Trustee Saxton to the Board of Trustees and briefly described the orientation process for new board members. Dr. Trutna also mentioned the Trustee Handbook that is in the process of being ordered for Board members. He also highlighted items from his written report including the Phi Theta Kappa induction ceremony, Bridget Tracy's new baby boy Daniel, and the progress report on the Sierra Nevada Conservancy Grant. He also addressed the data released on FRC athletic academic achievements published through Cal-PASS that shows when compared to their peers at other conference schools and compared to the non-student-athletes on campus showed that FRC has a higher GPA average, more units completed, and higher outcomes (graduation) than peers in almost every category. Dr. Trutna reminded the Board of Trustees about the planning calendar and he went over the various reports that would be on the agenda for the January 17, 2019, meeting.

There being no further business, the meeting was adjourned to the Feather River College Foundation Board meeting at 4:33 p.m.

The District Board meeting was reconvened to the District Board meeting at 5:11 p.m. and adjournment took place thereafter.

KT/ch